

MCDONNELL DOUGLAS

CORPORATION

6 July 1982

Regional Administrator
U.S. Environmental Protection Agency
Region VI
1203 Elm Street
First International Building
Dallas, Texas 75270

Regional Administrator
U.S. Environmental Protection Agency
Region VII
324 East Eleventh Street
Kansas City, Missouri 64106

Dear Sirs:

I am the chief financial officer of McDonnell Douglas Corporation, P.O. Box 516, St. Louis, Missouri 63166. This letter is in support of the use of the financial test to demonstrate financial responsibility for liability coverage and closure and/or post-closure care as specified in Subpart H of 40 CFR Parts 264 and 265.

The owner or operator identified above is the owner or operator or the following facilities for which liability coverage is being demonstrated through the financial test specified in Subpart H of 40 CFR Parts 264 and 265:

McDonnell Douglas Corporation
EPA ID No. MOD00818963 MOD000818963
P.O. Box 516
St. Louis, Missouri 63166

McDonnell Douglas Corporation
EPA ID No. OKD041501347
2000 North Memorial Drive
Tulsa, Oklahoma



R00148174
RCRA RECORDS CENTER

P. O. Box 516, Saint Louis, Missouri 63166

WMMG
JUL 07 1982
Region VII K.C., MO

The owner or operator identified above owns or operates the following facilities for which financial assurance for closure or post-closure care is demonstrated through the financial test specified in Subpart H of 40 CFR Parts 264 and 265. The current closure and/or post-closure cost estimates covered by the test are shown for each facility:

St. Louis Facility
\$ 235,000.
Tulsa Facility
\$ 3,300,000.

The owner or operator identified above guarantees, through the corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265, the closure and post-closure care of the following facilities owned or operated by its subsidiaries. The current cost estimates for the closure or post-closure care so guaranteed are shown for each facility:

None

In States where EPA is not administering the financial requirements of Subpart H of 40 CFR Parts 264 and 265, this owner or operator is demonstrating financial assurance for the closure or post-closure care of the following facilities through the use of a test equivalent or substantially equivalent to the financial test specified in Subpart H of 40 CFR Parts 264 and 265. The current closure and/or post-closure cost estimates covered by such a test or shown for each facility:

None

The owner or operator identified above owns or operates the following hazardous waste management facilities for which financial assurance for the closure or, if a disposal facility, post-closure care, is not demonstrated either to EPA or a State through the financial test or any other financial assurance mechanism specified in Subpart H of 40 CFR Parts 264 and 265 or equivalent or substantially equivalent State mechanisms. The current closure and/or post closure cost estimates not covered by such financial assurance or shown for each facility:

None

This owner or operator is required to file a Form 10K with the Securities and Exchange Commission (SEC) for the latest fiscal year.

The fiscal year of this owner or operator ends on December 31. The figures for the following items marked with an asterisk or derived from this owner's or operator's independently audited, year-end financial statements for the latest completed fiscal year, ended December 31, 1981.

Part B. Closure or Post-Closure Care and Liability Coverage

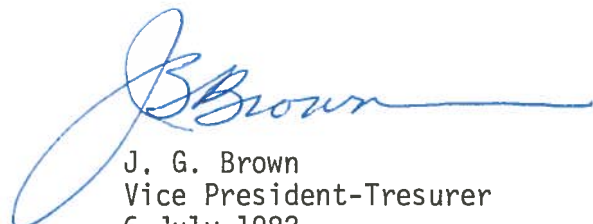
Alternative I

1. Sum of current closure and post-closure cost estimates (total of all cost estimates listed above)	\$	3,535,000.
2. Amount of annual aggregate liability coverage to be demonstrated	\$	2,000,000.
3. Sum of lines 1 and 2	\$	5,535,000.
* 4. Total liabilities (if any portion of your closure or post-closure cost estimates is included in your total liabilities, you may deduct that portion from this line and add that amount to lines 5 and 6)		\$2,710,700,000.
* 5. Tangible net worth		\$1,613,100,000.
* 6. Net worth		\$1,653,500,000.
* 7. Current assets		\$3,014,200,000.
* 8. Current liabilities		\$2,639,400,000.
9. Net working capital (line 7 minus line 8)	\$	374,800,000.
* 10. The sum of net earnings plus depreciation and amortization	\$	325,000,000.
* 11. Total assets in U.S. (required only if less than 90% of assets are located in the U.S.)	\$	N/A
	<u>Yes</u>	<u>No</u>
12. Is line 5 at least \$10 million?	X	
13. Is line 5 at least 6 times line 3?	X	
14. Is line 9 at least 6 times line 3?	X	

Page Four
6 July 1982

	<u>Yes</u>	<u>No</u>
* 15. Are at least 90% of assets located in the U.S.? If not, complete line 16	X	
16. Is line 11 at least 6 times line 3?		N/A
17. Is line 4 divided by line 6 less than 2.0?	X	
18. Is line 10 divided by line 4 greater than 0.1?	X	
19. Is line 7 divided by line 8 greater than 1.5?		X

I hereby certify that the wording of this letter is identical to the wording specified in 40 CFR 264.151 (g) as such regulations were constituted on the data shown immediately below.



J. G. Brown
Vice President-Treasurer
6 July 1982

Ernst & Whinney

10 Broadway
St. Louis, Missouri 63102

314/231-7700

McDonnell Douglas Corporation
St. Louis, Missouri

We have applied certain procedures, as discussed below, with respect to selected data contained in J. G. Brown's letter dated 6 July 1982 to the Regional Administrators of Regions VI and VII of the U.S. Environmental Protection Agency. These procedures were performed solely for inclusion with this letter referred to above, and our report is not to be used for any other purpose. The procedures we performed are summarized as follows:

- a. We determined that the amounts included in the letter referred to above for Total Liabilities, Tangible Net Worth (Total Assets less Deferred Charges and Total Liabilities), Net Worth, Current Assets, Current Liabilities, Net Working Capital (Current Assets less Current Liabilities) and Net Earnings plus Depreciation and Amortization were in agreement with or derived from the 31 December 1981 Audited Consolidated Financial Statements of McDonnell Douglas Corporation.
- b. We determined that the assets located in the United States which were included in the Consolidated Balance Sheet of McDonnell Douglas Corporation as of 31 December 1981 exceeded 90% of total assets at that date.

Because the above procedures do not constitute an examination in accordance with generally accepted auditing standards, we do not express an opinion on any of the accounts or items referred to above. No matters came to our attention that caused us to believe that the specified data should be adjusted. This report relates only to the accounts and items specified above and does not extend to any financial statements of McDonnell Douglas Corporation taken as a whole.

Ernst & Whinney

St. Louis, Missouri
6 July 1982

Ernst & Whinney

10 Broadway
St. Louis, Missouri 63102

314/231-7700

Shareholders and Board of Directors
McDonnell Douglas Corporation
St. Louis, Missouri

We have examined the consolidated balance sheet of McDonnell Douglas Corporation and consolidated subsidiaries as of 31 December 1981 and 1980, and the related consolidated statements of earnings, shareholders' equity and changes in financial position for each of the three years in the period ended 31 December 1981. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the consolidated financial position of McDonnell Douglas Corporation and consolidated subsidiaries at 31 December 1981 and 1980, and the consolidated results of their operations and the changes in their financial position for each of the three years in the period ended 31 December 1981, in conformity with generally accepted accounting principles applied on a consistent basis.

Ernst & Whinney

St. Louis, Missouri
28 January 1982

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Mc Donnell Douglas

ST. LOUIS RAPIFAX/ LEVEL 7 - H.Q.

ARWM

Maly

Midge
Green

DATE 6 July 1982

Regional Administrator
U.S. Environmental Protection Agency
Region VII

TO: _____

NO. PAGES 7

DEPT. _____

EXT. 816-374-2606

LOCATION Kansas City, Missouri

FROM J. Kevin Coyne

DEPT. H324

EXT. 232-5145

RECEIVED
JUL 7 (6)
SUPPORT SERVICES

EPA-ARHM/SWMG

JUL 07 1982

Region VII K.C., MO

ARUM
MCDONNELL DOUGLAS
M00000818963

MCDONNELL DOUGLAS



CORPORATION

6 July 1982

Dear Sirs:

The enclosed documents are hereby submitted to comply with the 06 July 1982 deadline. The original documents are being sent by Postal Express Mail at this moment.

Sincerely,

J. Kevin Coyne
J. Kevin Coyne, Administrator
Corporate General Insurance
H324/HQ/6W/623/25145

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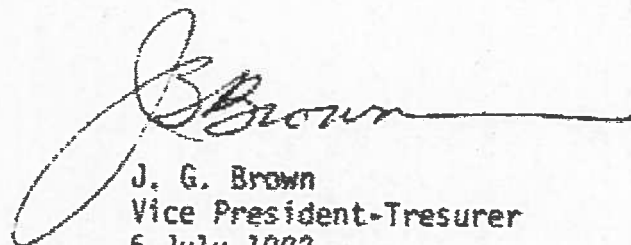
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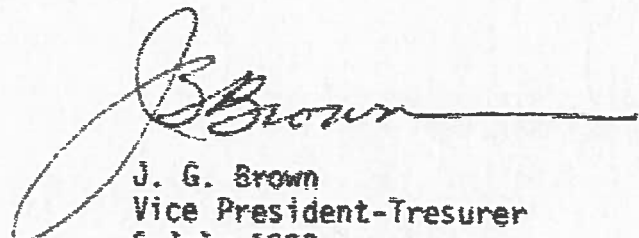
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J. G. Brown
Vice President-Treasurer
6 July 1982

Page Four
6 July 1982

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Ernst & Whinney

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6 July 1982

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Ernst & Whinney

St. Louis, Missouri
28 January 1982